

## THE REAL ESTATE COUNCIL OF ALBERTA

Case: 009846  
Process: Section 83 of the *Real Estate Act*  
Industry Member: Sukhdeep Mann  
Authorization: Not licensed  
Document: ADMINISTRATIVE PENALTY  
Penalty: \$10,000 (see Schedule 2 of the Bylaws)

### Payment

This Penalty must be paid **within 30 days** of the date this Notice was issued.

**If you fail to pay the Penalty** the Executive Director may commence collection under Part 6 of the *Real Estate Act*.

### **If you pay the Penalty**

- You will have satisfied the Administrative Penalty and no further proceedings under Part 6 will be taken against you.
- You cannot be charged under the *Real Estate Act* with an offence for the contravention(s) in this Administrative Penalty.

**TO: Sukhdeep Mann**

The Executive Director of the Real Estate Council of Alberta (RECA) is of the opinion you have contravened **section 17(a) of the *Real Estate Act***.

### **Section 17 - Authorization Required**

*17 No person shall*

*(a) trade in real estate as a real estate broker,*

*(b) deal as a mortgage broker,*

*(c) act as a real estate appraiser, or*

*(d) advertise himself or herself as, or in any way hold himself or herself out as, a mortgage broker, real estate broker or real estate appraiser*

*unless that person holds the appropriate authorization for that purpose issued by the Council.*

1(x) "trade" includes any of the following:

- (iii) an offering, advertisement, listing or showing of real estate for purchase or sale;
- (iv) property management;

- 1(s.1) *"property management" includes any of the following:*
- (i) *leasing or offering to lease real estate or negotiating or approving, or offering to negotiate or approve, a lease or rental of real estate;*
  - (ii) *holding money received in connection with an activity referred to in subclause (i);*
  - (iii) *advertising, negotiating or carrying out any other activity, directly or indirectly, for the purpose of furthering an activity referred to in subclause (i) or (ii);*

**Particulars of the contravention(s):**

1. From around September 2015 to September 2019, you engaged in activities that required a licence without holding a licence contrary to section 17(a) of the *Real Estate Act*:
  - a) Your company is My Best Rent Inc. (MBR). You have been using this company primarily to manage properties you own for thirty years.
  - b) In September 2015, MBR entered into an agreement to manage [{"Property"}], County of Rockyview, Alberta on behalf of the owners. The services you agreed to provide for a fee included:
    - Advertising the property for rent
    - Negotiating and executing leases
    - Collecting rent and the security deposit from a tenant
  - c) In August 2015, you entered a lease on behalf of the owner with a tenant to begin renting the property on September 1, 2015. The lease stated rent and the security deposit were payable to MBR.
  - d) You continued to provide these services up to September 2019, including collecting rent from the tenant, deducting your fee, and issuing the balance to the owner.

The Executive Director considered the following aggravating factors:

***Aggravating Factors***

- Unlicensed persons who provide services that require a licence put consumers at risk. Often times they do not have the required education or errors and omissions insurance.
- The unauthorized activity involved collecting and holding funds in trust for a consumer. This presented an additional risk to the consumer, since consumers working with unlicensed persons do not get protection under the Real Estate Assurance Fund.

- You have received prior warnings from RECA about the requirements to be licensed. The last warning you received made clear that any further instances of unauthorized activity would lead to a sanction.
- You had previously enrolled in RECA's education program to seek licensing. You were aware of the need to be licensed to engage in these activities.
- You were not forthcoming in the investigation and misrepresented the extent of your involvement with managing the property.

### **Appeal**

You have the right to appeal this Administrative Penalty to a Hearing Panel. See **section 83.1 of the *Real Estate Act*** for what you must do to appeal.

In an appeal you will be given a full opportunity consistent with procedural fairness and natural justice to present evidence before the Hearing Panel in relation to the contraventions alleged.

Your written notice of appeal must comply with section 83.1 and must be received by the Executive Director **within 30 days** of you receiving this Administrative Penalty.

If you appeal, payment of the Penalty will not be required until an order to pay a penalty is issued by the Hearing Panel. If you have any questions regarding particulars or the appeal process, please contact:

Name: JP, Professional Conduct Review Manager  
Phone: 403.228.2954; Toll Free: 1.888.425.2754  
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Suite 202, 1506 11 Avenue SW  
Calgary, Alberta, T3C 0M9

Issued at Calgary, Alberta, on March 20, 2020.

*Charles Stevenson for*  
Warren Martinson, Acting Executive Director  
of the Real Estate Council of Alberta